

FILED

FEB 11 2010

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAHSECRETARY, BOARD OF
OIL, GAS & MININGCLIFFORD MURRAY
PETITIONER,

Vs.

MOUNTAIN OIL AND GAS, INC. and
HOMELAND GAS AND OIL, LTD.,
RESPONDENTS.

:

: REQUEST FOR AGENCY ACTION

:

: DOCKET NO. 2010-016

:

: CAUSE NO. 131-129

:

:

Comes now the Petitioner, Clifford Murray, and in support of his Petition, states the following:

- 1) Petitioner is a resident of Uintah County, Utah. As evidenced by Exhibit A (Assignment of Overriding Royalty) and Exhibit B (Quit Claim), Exhibit C (oil and gas leases), Petitioner is an owner of an overriding royalty interest covering lands in the S½S½, Section 20, Township 2 South, Range 1 West, U.S.M., Duchesne County, Utah.
- 2) Respondent Mountain Oil and Gas, Inc., P.O. Box 1574, Roosevelt, Utah 84066 and Respondent, Homeland Gas and Oil, Ltd., P.O. Box 1776, Roosevelt, Utah 84066 operate the well and receive proceeds from the sale of oil produced from the well.
- 3) By order, in Cause No. 131-14 dated August 11, 1971, the Board of Oil, Gas and Mining (Board) established a drilling unit covering said lands consisting of the entire governmental section.
- 4) Located in said Section 20 is a well known as the Nielson 1-20B1, API# 43-013-30740. Said well is, and has been previously, producing oil and gas from the Lower Green River and Wasatch Formations. It is the only well located in the Section.
- 5) The DOGM currently recognizes, and has done so since October 2006, Respondent, Homeland Gas and Oil, LTD. as the Operator of the Nielson 1-20B1 well. Revenues

from the sale of oil from the Nielson 1-20B1 well are currently received by Respondent, Mountain Oil and Gas, Inc and/or Homeland Gas and Oil, LTD.

- 6) Petitioner is entitled to a share of the proceeds from the sale of oil produced by the Nielson 1-20B1 well as its lands are contained within that drilling unit established by the Board. Said Section contains 640 acres.
- 7) To the best of Petitioners knowledge Respondent's have never disbursed the proceeds from the sale of oil or gas attributable to Petitioner's interest.
- 8) The non-payment of proceeds by Respondents occurred from April, 2006 to the present, but may not be limited to this time frame as Petitioner cannot find in the public record a document wherein Mountain Oil, Inc. assigned their interest to Homeland Gas and Oil, LTD but rather can only find the documentation wherein operatorship change was requested to the Division of Oil, Gas and Mining (DOGM).
- 9) The failure to disburse proceeds to owner is, at the very least, a breach of Respondents' fiduciary obligations and contractual obligation as operator (approved by DOGM and not as defined by Utah Code Ann. § 40-6-2 (16) (1953, as amended)) of the well and as recipient of the proceeds from the sale of oil.
- 10) Petitioner believes that Respondents failed to escrow such unpaid proceeds as is required by Utah Code Ann. § 40-6-9-3(b)(i) (1953, as amended).

WHEREFORE, Petitioners respectfully request as follows:

- A) Pursuant to Utah Code Ann. § 40-6-9, (1953, as amended), the Board set this matter for an Investigation and Negotiation Conference by the Division in accordance with the rules of the Board of Oil, Gas and Mining ("Board").
- B) If this matter cannot be resolved by the Investigation and Negotiation Conference, the Board set the matter for hearing at a regularly scheduled hearing of the Board of Oil, Gas and Mining.
- C) Following such hearing, the Board enter an Order that:
 - 1) Non-payment of proceeds on the above referenced well is intentional with full knowledge and without reasonable justification; and
 - 2) A complete accounting be made of the above referenced well, the cost of which shall not be charged to the interest owner in the above-referenced well; and

- 3) Pursuant to the accounting, all proceeds to which the Petitioners are entitled be disbursed within 30 days, and if ordered by the Board, interest at the rate of one and one-half percent (1 ½%) per month from date of delinquency; and a penalty of twenty-five percent (25%) of the delinquent proceeds due and owing the Petitioners; and
- 4) Respondents be required to timely pay all future proceeds from the well in accordance with Utah Code Ann. § 40-6-9 (1953, as amended); and
- 5) Respondents be required to, as applicable, escrow future proceeds from the well in accordance with Utah Code Ann. § 40-6-9 (1953, as amended).

Dated this 9th day of February, 2010.

Signed Clifford Murray
Clifford Murray, Petitioner
HC 66 Box 25B
Roosevelt, Utah 84066
435-722-2365--Home

original

CERTIFICATE OF SERVICE

I, Clifford Murray, hereby certify that on the 9th day of February, 2010, I did cause to be mailed, postage prepaid, the foregoing REQUEST FOR AGENCY ACTION to the following parties:

Mountain Oil and Gas, Inc.
P.O. Box 1574
Roosevelt, Utah 84066

Homeland Gas and Oil, Ltd.
P.O. Box 1776
Roosevelt, Utah 84066

Signed:

Clifford Murray
Clifford Murray, Petitioner

ASSIGNMENT OF OVERRIDING ROYALTY

THE STATE OF UTAH

COUNTY OF DUCHESNE

KNOW ALL MEN BY THESE PRESENTS, THAT,

SPECTRUM OIL & GAS COMPANY, hereinafter referred to as "Assignor," whose address is 1010 Lamar Building, Suite 1445, Houston, Texas 77002, for and in consideration of the sum of ten and No/100 (\$10.00) Dollars and other good and valuable considerations, in hand paid, the receipt and sufficiency of which are hereby acknowledged, does hereby BARGAIN, SELL, ASSIGN, TRANSFER, SET OVER and CONVEY, an overriding royalty (said override) equal to 2.8936% of all oil, gas and other minerals which may be produced, saved and sold from or allocated to the lands (said lands) described on the attached Exhibit "A" and under the terms and provisions of the oil and gas mineral leases (said leases) described on the attached Exhibit "A" and any and all ratifications and amendments of said leases, to the following named individuals, their heirs and assigns hereinafter collectively referred to as "Assignee," whose address is 1010 Lamar Building, Suite 1445, Houston, Texas 77002:

M. Ray Thomasson	.2928%
Clarence E. Hoffman	.25155%
Donald R. Hughes	.24624%
Robert K. McCormack	.24624%
James L. Rumsey	.24624%
Lee B. Backsen	.24132%
D. Calvin Blue, Jr.	.23752%
T. L. Bezzerides	.22880%
John A. Williams	.22880%
William M. Middleton	.22730%
William H. Gunna	.22880%
Jay H. Smith	.21782%

222858 2.89360%

ENTRY NO. _____ DATE 3-15-82 TIME 12:12 P.M. BOOK 171m³ PAGE 282-304
 FEE \$ 151.00 RECORDED AT REQUEST OF Spectrum Oil & Gas Co.
 Marjorie W. Bradbury, DUCHESNE COUNTY RECORDER DEPUTY

Exhibit A

293

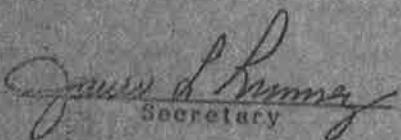
said override shall be free and clear of any cost and expense of exploration, development and operations; excepting taxes applicable to said override and the production therefrom; provided, however, that if said leases (on a lease-by-lease basis) cover less than the entire and undivided oil and gas mineral estate in and to the lands covered by and described in said leases, said override shall be reduced in the proportion which the fractional part of the oil and gas mineral estate covered by said leases in said lands bear to the entire and undivided oil and gas mineral estate in the lands covered by and described in said leases, and if Assignor should own less than all of the oil and gas leasehold estate created by said leases, said override shall be reduced in the proportion which the fractional part of the oil and gas leasehold estate owned by Assignor bears to the entire and undivided oil and gas leasehold estate created by said leases.

Assignor reserves unto itself, the right and power, to the extent that it now or hereafter may possess such power, at the option of Assignor, its successors or assigns, to pool, unitize or combine said lands described on Exhibit "A" or any portion thereof with other lands, leases or mineral estates. If said leases or any part thereof are pooled or unitized, said override shall be reduced in the proportion that the acreage burdened by said override bears to all acreage included in any such pooled unit or unitized area.

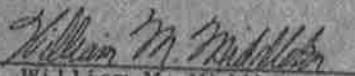
This Assignment is made without warranty, either expressed or implied, except as to claims of all persons claiming or to claim by, through or under Assignor, but not otherwise.

EXECUTED this the 9th day of MARCH, 1982.

TEST:


James L. Brumley
Secretary

SPECTRUM OIL & GAS COMPANY

By: 
William M. Middleton
Vice President

STATE OF TEXAS

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared William M. Middleton, known to me to be the person whose name is subscribed to the foregoing instrument, as Vice President of SPECTRUM OIL & GAS COMPANY, a Texas corporation, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

Given under my hand and seal of office, this 9th day
of March, 1982.

Carol A. Petros
Notary Public

CAROL A. PETRAKOS

Notary Public State of Texas

My Commission Expires May 10, 1985

Bonded by L. Alexander Lovell, Lawyers Surety Corp.

EXHIBIT "A"

Attached to and made a part of that certain Assignment of Overriding Royalty dated March 10, 1982, from Spectrum Oil & Gas Company, as Assignor, to M. Ray Thomasson, et al., as Assignee.

LESSOR	LESSEE	DATE	DESCRIPTION	RECORDED BOOK PAGE
Sirley B. Dickey, a single woman	Wilbanks & Associates, Inc.	3/16/81	Covering 40 gross acres in Section 15, T1S, R5W	160 MR 533-534
G.L. Bragger and Helen H. Bragger, husband and wife	Wilbanks & Associates, Inc.	12/11/80	Covering 160 gross acres in Sections 15 and 22, T1S, R5W	158 MR 849-850
Ada C. Hansen, a widow	Wilbanks & Associates, Inc.	12/12/80	Covering 160 gross acres in Sections 15 and 22, T1S, R5W	159 MR 173-174
Charles L. Bleazard and Kathryn Bleazard, husband and wife	Wilbanks & Associates, Inc.	12/5/80	Covering 320 gross acres in Section 16, T1S, R5W	158 MR 700-701
Jean B. Middleton, a/k/a Jean Be. Middleton, a/k/a Jean Middleton and Jackson B. Middleton, wife and husband	Wilbanks & Associates, Inc.	3/16/81	Covering 40 gross acres in Section 15, T1S, R5W	162 MR 331-332
Vincent E. Bleazard, a/k/a Vincent Bleazard, f/k/a Janet E. Schoenecke, a single woman	Wilbanks & Associates, Inc.	3/16/81	Covering 40 gross acres in Section 15, T1S, R5W	160 MR 531-532
Donald W. Bleazard, a married man dealing in his sole and separate property	Wilbanks & Associates, Inc.	3/16/81	Covering 40 gross acres in Section 15, T1S, R5W	160 MR 321-322
Robert L. Bleazard, Jr., a/k/a Robert Bleazard, Jr., a married man dealing in his sole and separate property	Wilbanks & Associates, Inc.	3/16/81	Covering 40 gross acres in Section 15, T1S, R5W	160 MR 529-530
Sidne Killian and Faye Killian, his wife	Wilbanks & Associates, Inc.	12/7/81	Covering 160 gross acres in Section 16, T1S, R5W	160 MR 28-29

LESSOR	LESSEE	DATE	DESCRIPTION	RECORDED BOOK PAGE
Ronald H. Merrill and Margaret C. Merrill, husband and wife	Wilbanks & Associates, Inc.	2/13/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	159 MR 557-558
Taylor H. Merrill and Marion S. Merrill, his wife	Wilbanks & Associates, Inc.	2/25/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	159 MR 569-570
Richard F. McKeon and Marlene G. McKeon, husband and wife	Wilbanks & Associates, Inc.	3/25/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	160 MR 367-368
Ronald Miles and Carolyn G. Miles, husband and wife	Wilbanks & Associates, Inc.	1/28/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	159 MR 539-540
Linda McDaniel, a/k/a Linda McDaniel, and Paul McDaniel, a/k/a Paul McDaniel, her husband	Wilbanks & Associates, Inc.	4/1/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	161 MR 624-629
Barbara M. Merrill, a widow	Wilbanks & Associates, Inc.	2/23/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	160 MR 82-83
Morris V. Morsen and Dolores G. Morsen, husband and wife	Wilbanks & Associates, Inc.	2/2/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	159 MR 567-562
Carolyn G. Miles and Ronald Miles, her husband	Wilbanks & Associates, Inc.	1/28/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	159 MR 545-546
Fred C. Mathews and Carna G. Mathews, husband and wife	Wilbanks & Associates, Inc.	2/4/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	159 MR 575-576
Robert D. Noble and Karen H. Noble, husband and wife	Wilbanks & Associates, Inc.	3/31/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R3W	162 MR 765-770
David Poore, a/k/a David X. Poore, a married man, dealing in his sole and separate property	Wilbanks & Associates, Inc.	2/5/81	Covering 837.2275 acres in Sections 20,28,30, T2S, R1W; and Sections 24,25, T2S, R2W	160 MR 687-689
Lewis Poore, a/k/a Louis Poore, a/k/a Louis G. Poore, a single man	Wilbanks & Associates, Inc.	2/5/81	Covering 837.2275 acres in Sections 20,28,30, T2S, R1W; and Sections 24,25, T2S, R2W	160 MR 520-522
Marlene Seiley Redhead, f/k/a Marlene Seiley and Allen G. Redhead, wife and husband	Wilbanks & Associates, Inc.	3/31/81	Covering 640 acres in Section 22, T2S, R2W	160 MR 384-385

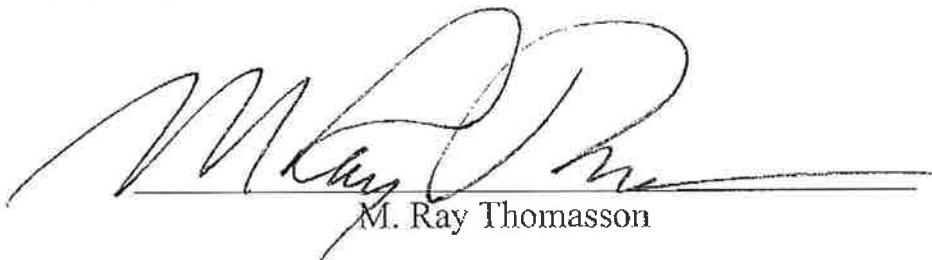
2	3	4	5	6	7	8	9
LESSOR	LESSEE	DATE	DESCRIPTION		RECORDED BOOK	PAGE	
Eileen Judith Ryan, formerly Doris Poore, a married woman, Marlene Seeley and Allen C. Reidhead, wife and husband property	Wilbanks & Associates, Inc.	2/3/81	Covering 837.275 gross acres in Sections 20,28,30, T2S, R2W; and Sections 24,25, T2S, R2W;	150 MR	517-519		
Marlene Seeley Reidhead, f/k/a Marlene Seeley and Allen C. Reidhead, wife and husband	Wilbanks & Associates, Inc.	3/31/81	Covering 360 acres in Section 25, T2S, R2W	160 NR	386-387		
Allen J. Richman and Jeanne Richman, his wife	Wilbanks & Associates, Inc.	5/31/81	Covering 484.49 gross acres in Sections 29,30, T2S, R2W; and Section 25, T2S, R2W	159 NR	549-550		
William C. Reeder and Mary Lee Reeder, husband and wife	Wilbanks & Associates, Inc.	4/7/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	160 MR	388-389		
Thomas E. Robinson and Virginia K. Robinson, husband and wife	Wilbanks & Associates, Inc.	4/7/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	160 MR	392-393		
Daniel A. Sisk and Katherine B. Sisk, his wife	Wilbanks & Associates, Inc.	2/9/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	160 NR	427-428		
Don Carlos Seeley, a single man	Wilbanks & Associates, Inc.	4/1/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	160 NR	390-391		
Wallace Dal Seeley and Beatrice Augie Seeley, husband and wife	Wilbanks & Associates, Inc.	5/31/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	160 NR	359-360		
Augie Seeley, a single man	Wilbanks & Associates, Inc.	2/11/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	159 NR	535-534		
Rick G. Seeley and Jennifer Jones Seeley, husband and wife	Wilbanks & Associates, Inc.	2/5/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W	159 NR	565-566		
Lorraine Smith and Larry Smith, her husband	Wilbanks & Associates, Inc.	3/31/81	Covering 1484.49 gross acres in Sections 22,23,29,30, T2S, R2W; and Section 25, T2S, R2W	160 MR	585-586		

QUIT CLAIM

Exhibit B

I, M. Ray Thomasson, of 1410 High St., Denver, Colorado 80218, hereby Quit Claim to Clifford Murray of HC 66 Box 25B, Roosevelt, Utah 84066, all of my right, title and interest in and to the Assignment of Overriding Royalty dated the 9th day of March, 1982 and filed in the public record in Duchesne County, Utah in book MR 171, page 282, insofar as said interest covers lands contained in Section 20, Township 2 South, Range 1 West, U.S.M. and the Nielson 1-20B1 well. The interest assigned specifically includes all right, title and interest to any monies which may be unpaid and owed such interest by the well operator from the sale of oil and gas from the Nielson 1-20B1 well from January 1, 1990 to the present.

Executed this 9th day of February, 2010.

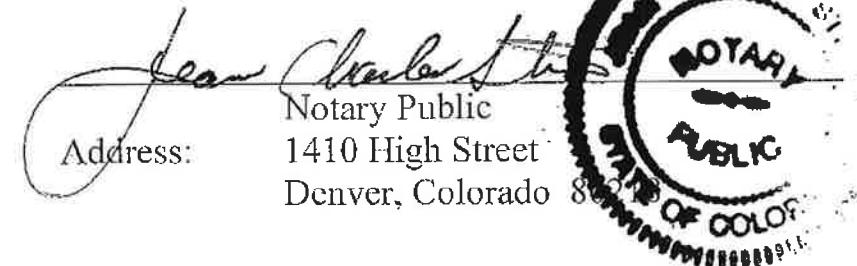

M. Ray Thomasson

STATE OF COLORADO)
CITY AND)ss.
COUNTY OF DENVER)

BEFORE ME, the undersigned, a Notary Public, on this 9th day of February, 2010, personally appeared M. Ray Thomasson, to me known to be the identical person described in and who executed the within and foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the date above written.

My Commission Expires:
May 14, 2010



OIL AND GAS LEASE

Assignment 11-19-81 Sub 161 Pg 264-3-03v Assignment 1-12-84 RA 186, 520
 Assignment 9-13-82 Sub 195 Pg 175 Pg 133-1-03 Pg 189-1-03
 Form 88-(Producers)
 Kan., Okla. & Colo. 1963 Rev. (JW) B W ASSIGNMENT 1-20-81 RA 232 Pg 501-5

THIS AGREEMENT made and entered into this 3rd day of February 1981,

by and between Lewis Poore, a/k/a Louis Poore, a/k/a Louis C. Poore, a single man
1315 North Cass, #6, Milwaukee, Wisconsin 53202

and Wilbanks & Associates, Inc., 1860 Lincoln Street, Denver, Colorado 80201,
 WITNESSETH:

FOR DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A" attached to and made a part of Oil and Gas Lease dated February 3, 1981,
by and between Lewis Poore, a/k/a Louis Poore, a/k/a Louis G. Poore, a single man,
1315 North Cass, #6, Milwaukee, Wisconsin 53202, as LESSOR, and Wilbanks & Associates,
Inc., as LESSEE.

TOWNSHIP 2 SOUTH, RANGE 1 WEST, U.S.M.
Section 20: S $\frac{1}{2}$

Section 28: SE₁SW₁

ALSO THE TRACT: Beginning at the NW corner of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 28, and running thence East 43.0 rods; thence South 15.0 rods; thence Northeasterly to a point 5.0 rods South of the NE corner of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 28; thence South 75.0 rods; thence West 80.0 rods; thence North 80.0 rods to the place of beginning.

Section 30: Lots 3 and 4, E½ SW¼ place of beginning.

TOWNSHIP 2 SOUTH, RANGE 2 WEST, U.S.M.
Section 24: S¹SW¹ SW¹SE¹

Section 24: $S_2^{\frac{1}{2}}SW_4^{\frac{1}{4}}$, $SW_4^{\frac{1}{2}}SE_4^{\frac{1}{4}}$
Section 25: $NW_4^{\frac{1}{2}}NW_4^{\frac{1}{4}}$, $NW_4^{\frac{1}{2}}SW_4^{\frac{1}{4}}$, $S_2^{\frac{1}{2}}SW_4^{\frac{1}{4}}$, $SE_4^{\frac{1}{2}}$

Wherever the term one-eighth (1/8th) appears in this lease, it shall by this reference be amended to read one-sixth (1/6th).

Signed for Identification

Louis G. Poore

1. **Termination of lease.** At the expiration of the lease term or at any time during the lease term, the lessor may terminate the lease by giving written notice to the lessee specifying the date of termination. The notice shall state the reason for termination and the lessee's right to cure such default within a reasonable time period. If the lessee fails to cure the default within the specified time period, the lease will terminate on the date specified in the notice. The lessee may also terminate the lease by giving written notice to the lessor, specifying the date of termination, and stating the reason for termination. The notice shall state the lessor's right to cure such default within a reasonable time period. If the lessor fails to cure the default within the specified time period, the lease will terminate on the date specified in the notice.

2. **Assignment of lease.** The lessee may assign the lease to another party, provided that the assignee agrees to assume all obligations under the lease. The lessor must consent to the assignment in writing. The lessor may require the assignee to provide financial security to ensure performance of the lease obligations.

3. **Subleasing.** The lessee may sublease the leased property to another party, provided that the sublessee agrees to assume all obligations under the lease. The lessor must consent to the sublease in writing. The lessor may require the sublessee to provide financial security to ensure performance of the lease obligations.

4. **Termination of lease by lessor.** The lessor may terminate the lease if the lessee fails to pay rent or other obligations under the lease, or if the lessee violates any material term or condition of the lease. The lessor must give written notice to the lessee specifying the reason for termination and the lessee's right to cure such default within a reasonable time period. If the lessee fails to cure the default within the specified time period, the lease will terminate on the date specified in the notice. The lessor may also terminate the lease if the lessee uses the leased property for an illegal purpose or violates any applicable law or regulation.

5. **Termination of lease by lessee.** The lessee may terminate the lease if the lessor fails to provide reasonable access to the leased property or if the lessor violates any material term or condition of the lease. The lessee must give written notice to the lessor specifying the reason for termination and the lessor's right to cure such default within a reasonable time period. If the lessor fails to cure the default within the specified time period, the lease will terminate on the date specified in the notice. The lessee may also terminate the lease if the lessor uses the leased property for an illegal purpose or violates any applicable law or regulation.

10. The rights of either party hereunder may be assigned in whole or in part and the provisions hereof shall extend to their heirs, successors and assigns, but no change or division hereunder shall affect the right of the assignee to furnish separate measuring or receiving tanks. Notwithstanding the above, the land covered by this lease may be subdivided and sold in lots of one acre or less.

hand or the right to receive rentals or royalties thereon, any interest therein, however accomplished, shall be binding on the lessee or lessor, and such notice shall be furnished with written notice thereof, and shall contain such descriptive information hereinafter referred to, as the lessee may require in his opinion to establish his ownership of the interest, and shall be accompanied by payment of a certified copy of record of record title, and other instruments or proceedings necessary in lessor's opinion to establish his title to the interest. In the event of an assignment or subletting of the interest to any third person, the rental payments hereunder shall be paid to the several leasehold owners including sublessees, ratably according to their interest, and the amount of the rental payment by one shall not affect the rights of the other lessees.

33. In the event lessor can't afford to pay the lease fee, he failed to comply with any obligation, lessor, express or implied, lessor shall notify lessee in writing, specifying to what extent, without lesser mention or conformance to meet the alleged breaches shall be such notice letter, lesser, lessee, lessee, notice, non-compliance.

22. It is agreed that if at any time during the term of this lease or any renewal thereof, the lessor shall be
23. unable only in the discretion that he believes to be reasonable, to let the entire or a lesser interest in
24. the mineral estate whether or not a lease interest is held by him in the entire or a mineral estate,
25. then upon the next succeeding rental anniversary after giving notice to the lessee of the occurrence
26. of such event, the rent shall be increased to cover the additional interest as follows:
27. 28. **ALL RENTALS**

13. All provisions herein express or implied shall survive the occurrence of such revision and shall have full force with satisfaction, good interpretations thereof by such agencies or Comptroller (jurisdiction), and this lease shall not in any way be terminated wholly or partially by administrative action or failure to comply with any of the express or implied terms hereof if such failure is caused by any such laws, orders, rules or regulations, interpretations, or decisions of courts having jurisdiction. If leases should be permitted to expire within the last 6 months of the primary term herein from drilling a well hereunder by the entry of any duly authorized laws or assuming jurisdiction thereto, or if leases should be permitted to expire said period to drill a well hereunder due to equipment necessary to the drilling completion thereof not being available from any cause, the primary term of this lease shall commence again from the date of such completion.

24. This lease and all of its terms and conditions shall be binding upon all successors of the lessors and the lessees. Shall any one or more of the parties above named as lessee, or his assigns or successors by the lessee to the owner of any interest herein, fail to pay to the lessor, or his assigns, the sum of \$100.00 per month, as sufficient payment hereunder, as to such interest notwithstanding the power of the lessor to terminate the lease for non-payment of rent, the lessor shall have all the rights of inheritance, if any.
25. Lessee hereby agrees to defend the title to the Land above described of lessor, against all persons.

In witness whereof, we sign this at the day and year first above written.

IN WITNESS WHEREUPON, we sign this as of the day and year first above written.

Exhibit C part I

524

of Section, **** Township, ***** Range, ***** together with all submerged lands, accretions, strips and parts
of adjacent or contiguous thereto and owned or claimed by the lessor, which land shall, for the purpose of calculating the amount of any money payment permitted or required by the terms of

This state is considered as containing exactly 837,2275 barrels, whether there is more or less.
TO HAVE AND TO HOLD the same (subject to the other provisions herein contained) for a term of
one year from the date hereof, and as long thereafter as oil, gas, gas condensate, gas distillate, gas-oil gas, casinghead gasoline, and other minerals may be

In consideration of the premises, it is hereby mutually agreed as follows:

1. To deliver, free of cost, to the lessor at the well or to the credit of lessor into the pipe line to which lessor may connect its well, an equal one-eighth (1/8th) part of all oil produced and taxes on the same from the said premises or at the lessor's option to pay to the lessor for such one-eighth (1/8th) the market price at the wellhead for all of a like grade and gravity generated on the day when oil is run into the pipe line or storage tanks.
2. On oil, gas condensate, gas distillate, casinghead gas and all other gasses, including their condensate parts, produced from said land and sold or used off the lessor premises or in connection therewith or otherwise, lessor shall pay to lessee a sum equal to one-eighth (1/8th) of the gross proceeds received from the sale of such oil, gas or said substances where no market exists at the mouth of the well, but in no event more than \$1.00 per barrel.

4. On all other minerals produced and marketed, lessee shall pay one-eighth, retain 10% of the actual amount received by the lessor.

5. Such any gas well on the lease premises, produces dry gas in excess of that needed for operations hereunder, lessee shall have the privilege, at his sole risk, cost, and expense, of using such surplus gas for storage and liquid sales in the principal dwelling located upon the lease premises. Notwithstanding any of the provisions aforesaid, lessee shall have free use of oil, distillate, condensate, or refined oil, gasoline and all other petroleum products, water and other materials from the lease premises, except water from lessor's wells and tanks, for all operations hereunder.

6. If drilling of a well for any oil or gas is not commenced on the lease premises on or before one (1) year from the date hereof, then this lease, except as otherwise provided, shall terminate.

11. If operations for the drilling of a well for oil or gas are not commenced by the date specified above, the lease, which may be extended by written application if recorded, or its successor or successors, shall remain in force until operations are commenced, provided, however, that the lessor's credit in the **Marshall** and **Tileay** Bank at **Milwaukee, Wisconsin** (acct #610540) is paid in full.

pronunciation of such appellations, and if produced, shall be subject to all pipe lines below ordinary plow depth, in cultivated land, and to all other structures, trees, shrubs, vines, or other growths growing on said land. Lessee shall have the right, but shall not be compelled, to lay, extend, or alter any pipe line or other structure, tree, shrub, vine, or other growths placed by lessee on the lease premises, according to the right-of-way, and remove all casing, any structures, and facilities placed on the lease premises, or any part thereof, by the lessor, or any other person, at any time during or prior to the expiration of this lease, for the injection of salt water or other fluids, may also be used for leases, or any other lands of the lessor, or any other person, in which the lessor, or any other person, may have an interest.

or otherwise acquire, or shall have furnished leases to others, the rental payment hereunder shall be apportioned as to the several branches in the same manner by one shall not affect the right of the lessor to receive payment in full.

13. In the event lessor considers that the lessee fails to comply with any obligation hereunder, express or implied, lessor shall notify lessee in writing, specifying in what manner lessee has failed to comply, and give lessee ten days after receipt of such notice to cure such default, failing which lessor may terminate this lease or commence to meet the alleged breach, shall have furnished leases to others, the rental payment hereunder shall be apportioned as to the several branches in the same manner by one shall not affect the right of the lessor to receive payment in full.

14. If lessor rents out land under the entire fee or mineral estate (whether or not a lesser interest is stated above), the rentals and royalties herein provided shall be paid to the lessor, and the lessor shall have furnished leases to others, the rental payment hereunder shall be apportioned as to the several branches in the same manner by one shall not affect the right of the lessor to receive payment in full.

15. If lessor rents out land under a leasehold interest, the lessor shall have furnished leases to others, the rental payment hereunder shall be apportioned as to the several branches in the same manner by one shall not affect the right of the lessor to receive payment in full.

18. This lease and all of its terms and conditions shall be binding upon all successors of the lessor and the lessee. Should any one or more of the parties above named as lessee die, his or her estate or executors, by the lessee to the owner of any interest which he or she may have in this lease shall be sufficient payment hereon as to such interest notwithstanding the personalty.

13. Legal action will be taken by the holder to collect the amount due under this instrument. The holder may sue for the amount of any such note as a single cause for the purpose of collecting principal, interest or otherwise.

14. Legal action will be taken by the holder to collect the amount due under this instrument. The holder may sue for the amount of any such note as a single cause for the purpose of collecting principal, interest or otherwise.

IN WITNESS WHEREOF, we sign this as of the day and year first above written.

X Special Agent
Louis G. Poore SS# 529-68-1489

STATE OF Wisconsin
COUNTY OF Milwaukee

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of 1 April 1981, personally appeared Lewis Poore, a/k/a Louis Poore, a/k/a
Louis G. Poore, a single man



and to me known to be the identical person, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free
and voluntary act and deed for the uses and purposes therein set forth.
H.J. Schram
Notary Public

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires My Commission Expires February 7, 1982 — H.J. Schram
Notary Public

STATE OF _____
COUNTY OF _____ ss.

Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of 19, personally appeared

and to me known to be the identical person, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that he duly executed the same as his free
and voluntary act and deed for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires

Notary Public

State of _____
County of _____ ss.

ACKNOWLEDGMENT (For use by Corporations)

On this _____ day of 19, A. D. 19_____, before me personally
appeared _____, to me personally known, who, being by
me duly sworn, did say that he is the _____ of _____
and that the seal affixed to said instrument is the corporate seal of said corpora-
tion and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said
acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this _____ day of 19, A. D. 19_____.
John J. Schram

(SEAL)

Notary Public

My Commission expires

No. 215942

FROM

TO

19

Dated

No. Acres

County

Term

This instrument was filed for record on the 27
day of April 1981 at 12:12 o'clock P.M. and duly recorded in
Volume He 2142 Page 520-522

of the records of this office.

Mashie L. Bledsoe
County Clerk

Deputy

When recorded return to

W. Milwaukee & Associates

THIS AGREEMENT made and entered into on the 3rd day of February, 1981
by and between David Poore, a/k/a David W. Poore, a married man, dealing in his sole and
separate property, 4197 Jane Street, Bedding, California 96002
and witness, and Wilbanks & Associates, Inc., 1860 Lincoln Street, Denver, Colorado 80205.

DATE ISSUED: 03-04-2006 STATE OF: UTAH and described as follows, namely:

FOR DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

EXHIBIT "A" attached to and made a part of Oil and Gas Lease dated February 3, 1981, by and between David Poore, a/k/a David W. Poore, a married man, dealing in his sole and separate property, 4197 Jane Street, Redding, California 96002, as LESSOR, and Wilbanks & Associates, Inc., as LESSEE.

TOWNSHIP 2 SOUTH, RANGE 1 WEST, U.S.M. Assign 9-13-22-13P176 pg 132-153
Section 20: S₂S₄ Assign 1-12-84 Bk 186 pg 189-191
Section 28: SE₁SW₁ Assign 3-38 Pg 31-186 pg 343-47
ALSO THE TRACT: Beginning at the NW corner of the SW₁SW₁ of said Section 28;
and running thence East 43.0 rods; thence South 15.0 rods; thence Northeasterly
to a point 5.0 rods South of the NE corner of the SW₁SW₁ of said Section 28;
thence South 75.0 rods; thence West 80.0 rods; thence North 80.0 rods to the
place of beginning.
Section 30: Lots 3 and 4, E₁SW₁ Assign 1-20-86 Bk 223 pg. 561-5

TOWNSHIP 2 SOUTH, RANGE 2 WEST, U.S.M.
Section 24: SSW1, SW1SE1
Section 25: NW1NW1, NW1SW1, S1SW1 as

Wherever the term one-eighth (1/8th) appears in this lease, it shall by this reference be amended to read one-sixth (1/6th).

City Clerk's Office
March 27, 1981
Signed for Identification

KATHRYN M. JENKINS
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
SANTA BARBARA
My Commission Expires November 30, 1984
✓ David W. Poore
David W. Poore

any property passed by lease on the lease premises, including the right to draw and remove all cables. Any structures and facilities placed on the lease premises by lessee for operations, the right to use such facilities may be continued beyond the term of this lease by payment in advance of the sum of One Hundred Dollars (\$100.00) per year. No work shall be carried out after 220 feet to any house or barn now on the premises without the consent of lessor.

In remittance or return. Such items shall be supported by original or certified copies of all recorded documents and other instruments or proceedings necessary in lesser's opinion to establish the ownership of the claimants parts. All advance payments of rentals made before within thirty (30) days after receipt of said documents shall be deducted as any direct or indirect expenses, greater, lessor, administrator, receiver, rate or acceptance, to the lessor. In the event of an assignment or sublease of this lease as is represented portion of the and above described the rental amount hereunder shall be apportioned as to the several lessor/lessee owners including sublessors/rental according to the surface area of each, and default in the rental payment by one shall not affect the rights of the other lessor/lessee owners.

regards medical claims losses has been breached by this clause. The service of such notice and payment of sixty (60) days without notice meeting or commencing to meet the alleged breaches shall be deemed to constitute acceptance by the Insurer of any claim. If, within sixty (60) days after the receipt of such notice, the Insurer shall not commence to meet the alleged breaches as referred to above, the Insurer shall pay the amount of the claim.

17. However, during the term of this lease, any reduction of interest in Gouverneur, or less than one-half interest in Gouverneur, shall be deemed to cover the additional interest so acquired by the lessee.

18. All principal items of expense as levied shall be subject to all Federal, state, local laws and the orders, rules and regulations of all pertinent agencies administering the same. Any interpretation thereof by such agencies or courts having jurisdiction, and this lease shall not in any way be terminated wholly or partially nor shall the lease be liable in respect to failure to comply with any of the express or implied covenants herein if such failure is caused by any such laws, orders, rules or regulations. Any interpretations thereof shall be given the benefit of every court having jurisdiction. If failure should be prevented during the term of this lease from drilling a well necessary to the order of any lease holder, the lessee may

10. This lease and all of its terms and conditions shall be binding upon all successors of the lessors and the lessees. Should any one or more of the parties above named as lessors fail to provide this lease, it shall nevertheless be binding upon all lessees who do subscribe it, notwithstanding any language herein to the contrary. It is expressly understood and agreed that any successor or assignee made by the lessor (in the course of any legal action) subject to this lease shall be so relieved payment hereunder as to such interest notwithstanding the transfer of title and of space and of both parts as a participant for the purpose of paying compensation, damages or incidentals events of inheritance, if any.

11. LESSOR agrees and lessor agrees to defend the title to the land described and agrees that the lessee shall have the right at any time to evidence for lessee, by payment, the amount of any sum paid by the lessor to the lessor, and to demand payment of the rights of the lessor, if any, which may become due or payable to

Open Access License: CC-BY-NC-ND
This article is licensed under a Creative Commons Attribution-NonCommercial-NoDerivs 4.0 International License.

March 27, 1981 *Cutter & Gellman* x David W. Poore
David W. Poore SS#528-68-4259

KATHRYN M. JENKINS
114481-00001 CALIFORNIA
GARDEN CITY

David W. Poore SS#528-68-4259

Exhibit C part 2

STATE OF California
COUNTY OF ShastaOklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT -- INDIVIDUAL

689

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of March, 1981, personally appeared David Poore, a/k/a David W. Poore, a
married man, dealing in his sole and separate property.

X-12

to me known to be the identical person, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that he _____ duly executed the same as his _____ free
and voluntary act and deed for the uses and purposes therein set forth.IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires KATHRYN M. JENKINS Notary Public

PRINCIPAL OFFICE IS

SHASTA COUNTY

My Commission Expires November 30, 1984

STATE OF Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
COUNTY OF Nebraska, North Dakota, South Dakota
ACKNOWLEDGMENT -- INDIVIDUALBEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of March, 1981, personally appeared

and

to me known to be the identical person, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that he _____ duly executed the same as his _____ free
and voluntary act and deed for the uses and purposes therein set forth.IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires Notary Public

State of _____

County of _____

ss.

ACKNOWLEDGMENT (For use by Corporation)

On this _____ day of _____, A. D. 19_____, before me personally
appeared _____, to me personally known, who, being by
me duly sworn, did say that he is the _____ of _____
and that the seal affixed to said instrument is the corporate seal of said corporation
and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said
acknowledged said instrument to be the free act and deed of said corporation.Witness my hand and seal this _____ day of _____, A. D. 19_____.

(SEAL)

Notary Public

My Commission expires _____

No.	FROM	TO	Dated	19	County	Term	This instrument was filed for record on the _____ day of _____, 19_____, at _____ o'clock P.M., and duly recorded in Volume _____, Page _____ of the records of this office.
							By _____, Deputy _____, County Clerk
							When recorded return to _____

David Poore

Shasta County Clerk

Deputy

When recorded return to _____

David Poore

of Section **** Township ***** Range ***** together with all submerged lands, acreage, etc., and, if adjacent or contiguous, Owner and record or claimed by the latter, which land shall, for the purpose of calculating the amount of any money, damages, penalties, costs, expenses, etc.,

In consideration of the above terms and conditions, I, the undersigned, do hereby agree to pay to the company named above the sum of \$327.2275, or such other amount as may be required by calculating the amount of any money balance permitted or required at the time of sale, to be considered an outstanding balance.

- In consideration of the premises, it is hereby mutually agreed as follows:

 - To deliver, free of costs to the lessor at the well or to the point of delivery of gas from the pipe line to which lessee may connect its well, an equal one-eighth (1/8) part of all gas produced and saved from the lease premises as at the lessor's option to pay to the lessor for such one-eighth (1/8) part the market price at the wellhead for it as fed in at the gas well and gravity delivered to the gas well such oil is run into the pipe line or storage tanks.
 - On gas wells, condensate, gas distillate, gasoline, gas oil and all other gases; including their constituent parts; produced from said lands and held or used off the land, lessee shall pay to lessor a sum equal to one-eighth (1/8) of the gross proceeds received from the sale of such produced hydrocarbons by lessee at the mouth of the well, but in no event less than one-eighth (1/8) of the actual amount received by lessee for the sale thereof.
 - If gas from any well or wells on the lease is capable of being produced gas, in commercial quantities, it will sold or used off the premises or in the manufacture of gasoline for a period of one (1) year or more during which time there may be no production from the lease premises, then lessee shall become entitled to pay to lessor for each such year, a sum equal to the \$1.00 rental provided in paragraph number 6 heretofore, whether during or after the primary term. In consideration of the option given in this lease, it shall affect the meaning of all the terms of this lease, including the seabed claim, as though it were denied that gas is being produced from the permit lands, the time for payment of the rental shall commence when gas is first produced.
 - On all other minerals produced and marketed, lessee shall receive one-half (1/2) of the net proceeds.

at the actual amount received by the lessee. The lessor shall pay one eighth (1/8th) of the current market price at the present time for such gas, if not sold or otherwise marketed, unless the lessee purchases propane, dry gas, or sulfuric acid.

6. If operations for the drilling of a well for oil or gas are not commenced on the lease premises in or before one (1) year from the date herein, then this lease, except as otherwise provided, shall terminate as to both parties unless the lessor, in or before that date, shall pay or render to lessee or to lessor's credit in the sum of \$14,473.64 plus the amount of

Oakland, California 94623 (202) 741-0106
for any bank designated in writing by lessor whether or not such written designation is recorded, at its option or successive lessees may designate another bank as the depositary bank regardless of changes in the ownership of the real estate or the right to receive rentals, the sum of **\$1000** is due and payable to lessor.

permitted for the drilling of said well for a period of one (1) year from said date, which shall operate as a rental and cover the privilege of determining the immovable interest in the leasehold estate, which may be further deferred for five periods successively. It is understood and agreed that the commencement of operation for the first period will be at the time of payment of the first rental, the second period at the time of payment of the second rental, and so on. The lessee may, at any time, exercise his option to lease or part of a lease or release all or any portion of the leasehold estate, provided that such portion or portions and be retained at all obligations as to the remaining portion or portions of the leasehold estate. If the lessor's portion of this lease is released as to all horizons, then rentals thereafter payable by the lessor will be reduced by one-half of releases. Payment or tender of rental may be made by draft or check of the lessee, transmitted, delivered or mailed to the lessor, accompanied by a stamped, addressed envelope.

7. It is expressly agreed that if lessor shall commence operations for the drilling of a well at any time while its lease is in force, this lease shall remain in force and its term shall continue for an additional period of one year, provided that it produces results therefrom, then so long as such production continues. If the first well drilled on the acre or portion thereof which contains the lease is not completed within twelve months from the date of the commencement of the last rental period for which rental has been paid for until the twelfth month of the first anniversary of this lease if such well is drilled during the first year of the primary term, then lease shall terminate as to both parties unless the lessee can before the end of the twelfth month commence the payment of rentals in the manner and at the times contemplated in paragraph 2, in which case this lease shall not terminate provided operations for the drilling or reworking of such well are commenced before or on the next ensuing rental taking date of the primary term of this lease, production on the lease is established and such classed as a producing well, provided lessor bears all expenses of the payment of rentals in the manner and at the times contemplated in paragraph 2, in which case this lease shall not terminate provided operations for the drilling or reworking of a well are commenced within one hundred and fifty (150) days from the date of such cessation, and this lease shall not terminate provided operations for the drilling or reworking of such operations, and if production results therefrom, then so long as such production continues.

8. Where required by lease, lessee shall bury all drainage pipes, ditches, or culverts, or any other structures, as far beneath the ground surface as the soil will permit, in the same land. Lessee shall have the right, but shall not be compelled, to place trees on the lease premises, including the right to plant, cultivate, and care for such trees, and to remove them when no longer needed. Lessee shall have the right to use the lease premises drilled or used for the injection of salt water, oil, gases, fluids, liquids, or any other materials.

9. The lessee shall have the right to use such facilities as may be required for the injection of salt water, no other fluids may also be used for Irisher's operation on other lands in the area. The right to so use such facilities may be continued beyond the term of this lease by payment in advance of the sum of One Hundred Dollars (\$100.00) per year. No well shall be drilled nearer than 200 feet to any house or barn now on the premises without the consent of lessor.

In such case, if it is in fact, to pass into a separate operating unit or units all or any part of the land covered by this lease held by the lessees thereof, when in lessor's judgment, it is necessary or advisable in order to promote conservation, to properly develop or operate the land and interests to be so transferred, lessor may require the lessees to execute such documents as may be necessary to effect such transfer.

Lease is covered by this lease, and may cover one or more of all the areas or formations, underlaid by all or any portion or portions of the lease premises. Any unit formed by such pooling or combining of adjoining or cornering tracts and shall not exceed 640 acres for gas, 160 acres for oil, gas, oil distributor or leasehold interest and shall not exceed 160 acres for any other subsidence covered by this lease, provided that any governmental regulation or order shall prescribe a pooling pattern for the development of a field wherein the above described land, or a portion thereof, is allocated as allowable. To areas pooled and the zones or formations and subsidence pooled shall be set forth by lessee in a "Declaration of pooling", filed in record in the county in which the pooled area is located. Such pooling shall be effective on the date such declaration is filed with the lessee's declaration of pooling. In the event that the date of such pooling, would be payable hereunder, except subject to gas well royalties, lessor shall receive on production from an area so pooled only such portion of the royalties where in the land covered by this lease, which is related to the pooled area, up to the amount of the surface acreage of the entire pooled area. Nothing herein contained shall affect or limit any transfer of any title to any leasehold, royalty, or other interest pooled pursuant hereto. The commencement of a well, the conduct of other drilling operations, or well or of a dry hole, or the operation of a producing well in any pooled area, shall be considered for all purposes (except for royalty purposes) the same as if such wells were on, or such drilling operations were conducted upon, the lands covered by this lease whether or not such well is located upon, or such drilling operations are conducted within, the boundaries of the pooled unit. Lessee may terminate any pooling effected pursuant hereto at any time the pooled unit is not capable of producing and no drilling operations are being conducted thereon, by recording and filing of record in the county or counties in which the pooled area is located a written declaration of the termination of such pooling. Provided, that the service of all notices, demands, subpoenas, writs and other process, and the service of all documents required to be served in any action or proceeding, may be made upon the lessee, or any of its agents, employees, contractors, assigns, successors or transferees, at the address of the lessee, or any of its agents, employees, contractors, assigns, successors or transferees, as appears on the most recent statement of lessee's address filed with the appropriate state or federal agency having jurisdiction over such matters. Any pooling hereunder may cover all oil and gas or any one or more of

10. The rights of either party herunder may be assigned in whole or in part and the provisions hereof shall extend to their heirs, successors and assigns, but no change in ownership of the land, rentals or royalties, however accomplished, shall operate or be construed so as to enlarge or increase the obligations or burdens of the lessee.

Specificity, but not by way of limitation of the foregoing, the lessor shall not be required to do or enlarge or increase the obligations in respect of the lesser, or to make available or to furnish separate measuring or receiving tanks. Notwithstanding the usual constructive knowledge of or notice to the lessee, no change in the ownership of said land or the right to receive rentals or royalties hereunder, or any interest therein, however accomplished, shall be binding on the lessor except at the lessor's option until thirty (30) days after such change has been furnished with written notice thereto, together with the supporting information heretofore furnished and to be binding on the lessee textually at lessor's option until thirty (30) days after such notice is received by the lessee. The lessor shall be entitled to receive payment of all rentals due and owing to him by the lessee, and to establish the ownership of the claimings party. All advance payments or rentals made hereunder within thirty (30) days after receipt of said documents shall be binding on any new owner or indirect assignee, grantee, donee, successor, administrator, executrix, heir or successors to the lessor. In the event of an assignment or sale of this lease as to segregated portions of the land above described, the rental payments, administrator, executrix, heir or successors to the lessor shall be apportioned as to the several leasehold areas, including subleases, as set forth in the original lease.

11. In the event lessor considers that the trustee has failed to comply with any obligation hereunder, express or implied, lessor shall notify lessee in writing, specifying in what respect lessor claims lessor has breached this lease. The service of such notice and claim of Breach, days without prejudice, shall entitle lessor to sue for damages.

lessor, absent from any action by lessor for any cause, within 120 days of fifty (50) days without notice meeting or commencing to meet the alleged breach shall be deemed to have abandoned the premises and in default hereunder.

If lessor receives a lessor notice of default, lessor may cure such default within 120 days of receipt of such notice lessor shall not commence to meet the breaches alleged in such notice.

In order to be in the proportion that his interest bears in the entire undivided interest in the real estate, if, however, during the term of this lease, any reversion of interest, by lease, will be given and in that event on the next succeeding rental anniversary after giving such interest, the interest of the lessee in the real estate shall be reduced by the amount of the interest given.

13. All provisions herein, express or implied, shall be subject to all federal, state and local laws and the orders, rules and regulations of all governmental agencies administering the same. Any such laws, orders, rules and regulations, or interpretations thereof by such agencies or courts having jurisdiction, and this lease, shall not in any way be terminated wholly or partially nor shall the lease be liable to any such agency or court, unless, however, such laws, orders, rules or regulation are interpreted thereto by such agencies or courts as giving jurisdiction. If lease should be prevented during the last six (6) months of the term hereinfrom from deriving a well heretofore by the order of any such agency, court or other authority, having jurisdiction thereto, or if lease should be unable during said period to derive a well heretofore by the order of any such agency, court or other authority, having jurisdiction thereto, then lease may be terminated at the option of lessor, then the rental shall be increased to cover the additional interest so acquired by the lessor.

24. This lease and all of its terms and conditions shall be binding upon all successors of the lessee and the lessor.

fail to exceed this limit. It shall nevertheless be binding upon all successors of the lessor and the lessee. Should any one or more of the parties above named exhort him to make any present or payment made by the lessee to the owner of any interest subject to this lease, he shall be under no obligation to do so, notwithstanding any language herein to the contrary, it is expressly understood and agreed that such interest notwithstanding the language herein to the contrary, shall be held by the lessor as a party-lessee for the purpose of waiving, remitted, or releasing his right of reversion if any such interest, or any part thereof, or any other item of his claim, is paid over to the title to the land above described and agreed that the lessor shall have the right to sue for damages for any mortgagor, assignee or other item of his claim.

and witness hereby agrees that any such payments made by the lessor for the lessee may, at lessor's option, be deducted from any amount of money which may become due or payable to

IN WITNESS WHEREOF, we sign this as of the day and year first above written.

Digitized by srujanika@gmail.com

x Helen Ryan
Ellen Judith Ryan SWH 628 12-2012

STATE OF California
COUNTY OF AlamedaOklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota

ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of April 19, 1981, personally appeared, Eileen Judith Ryan, formerly Ilene Paore,
a married woman, dealing in her sole and separate property.

115

100%

to me known to be the identical person, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free
and voluntary act and deed for the uses and purposes therein set forth.IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires Jan 29 1985

Dee R. Hess

Notary Public

(SEE REVERSE SIDE OF THIS DOCUMENT FOR NOTARY SEAL)

STATE OF _____ }
COUNTY OF _____ }
Oklahoma, Kansas, New Mexico, Wyoming, Montana, Colorado, Utah,
Nebraska, North Dakota, South Dakota

ACKNOWLEDGMENT — INDIVIDUAL

BEFORE ME, the undersigned, a Notary Public, in and for said County and State, on this
day of April 19, personally appeared,

and

to me known to be the identical person, described in and who executed
the within and foregoing instrument of writing and acknowledged to me that she duly executed the same as her free
and voluntary act and deed for the uses and purposes therein set forth.IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.
My Commission Expires

Notary Public

State of _____

County of _____

ACKNOWLEDGMENT (For use by Corporation)

On this day of April 19, A.D. 19, before me personally
appeared _____, to me personally known, who, being by
me duly sworn, did say that he is the _____ of _____
and that the seal affixed to said instrument is the corporate seal of said corporation
and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said
acknowledged said instrument to be the free act and deed of said corporation.

Witness my hand and seal this day of April, A.D. 19.

(SEAL)

Notary Public

My Commission expires _____

FROM

TO

Dated April 19, 1981

No. Acres _____ County _____

Term _____

This instrument was filed for record on the 27th
day of April 1981 at _____, M., and duly recorded in
Volume 1407, page 517 - 519

of the records of this office.

Signature of Recorder
County Clerk

By _____ Deputy _____

When recorded return to _____

Hilmarine of California
130 Lincoln Avenue
P.O. Box 5000130 Lincoln Avenue
P.O. Box 5000